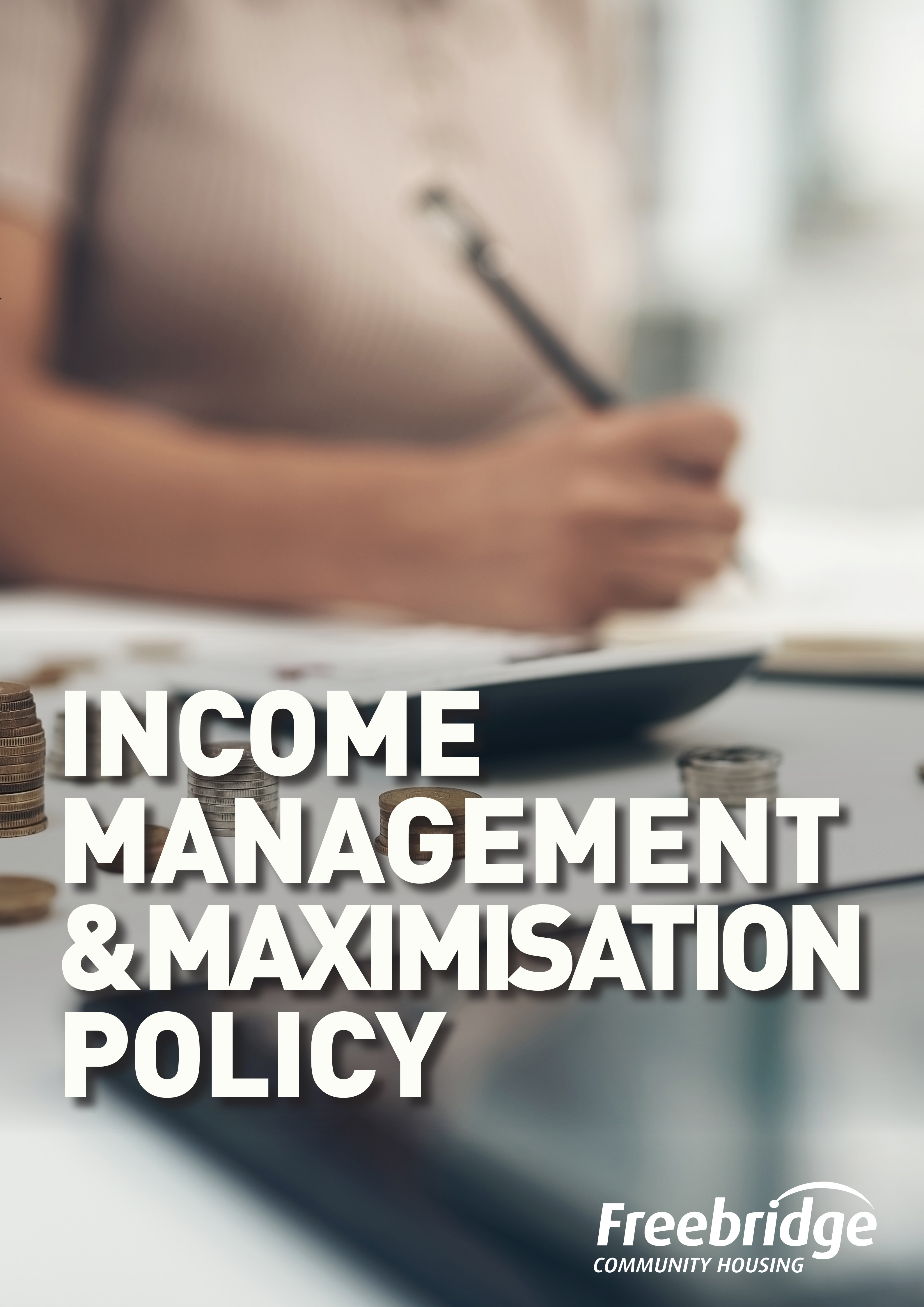

INCOME MANAGEMENT & MAXIMISATION POLICY

Freebridge
COMMUNITY HOUSING

Income Management and Maximisation Policy			
Last Reviewed	**June 2026**	**Next Review**	**June 2027**
Responsible Officer	**Director of Operations**		

Policy Statement: The aim of this policy is to maximise income collection through the effective management of customer accounts, minimising financial debt, and supporting customers to sustain their tenancies. We will ensure customers understand their responsibility to pay rent and all associated charges on time, with legal action considered only as a last resort.

Scope: As a responsible landlord, Freebridge Community Housing will maximise income from rents, service charges, garage rents, and rechargeable repairs to support the delivery and management of our services. We will take a firm but balanced approach to income management , combining timely and proportionate action with appropriate support and advice for our tenants. We will act proactively to prevent arrears and, where they occur, work collaboratively with customers to recover debt.

Legal action will be taken where necessary to recover income owed; however, eviction will always be a last resort after all reasonable interventions have been exhausted. We will also continue to pursue former tenant arrears where appropriate.

Procedural Guidance:

We shall:

- Operate a firm, but balanced approach to income management, ensuring timely and proportionate action alongside appropriate support and advice for tenants. Proactively prevent rent and service charge arrears and, where they arise, work collaboratively with customers to recover debt and access support.
- Take appropriate legal action to recover income owed, with eviction used only as a last resort after all reasonable interventions have been exhausted. Pursue recovery of former tenant arrears through all reasonable and appropriate means.
- Prioritise investment in prevention activities and initiatives that maximise income collection.
- Provide ongoing advice and support, either directly or through referral to specialist agencies.
- Maintain clear procedures that support this policy and reflect good practice and legislative requirements.
- Ensure staff are appropriately trained and equipped to implement this policy effectively.

Affordability

We shall:

- Complete a detailed financial assessment with all customers prior to the granting of a new tenancy. In accordance with our Rent Setting and Service Charges Policy.

- Balance housing need with affordability; financial assessments will not automatically prevent a tenancy but may lead to additional support or conditions. Where a tenancy is deemed unsustainable despite support, it will be refused in line with the Allocations and Lettings Policy.

- Assist customers who have an offer of tenancy refused by working collaboratively with the Local Authority to consider appropriate alternatives.

- Assist customers who find that their home becomes unaffordable over time, in accordance with our Allocation and Lettings Policies.
  The existence of rent arrears or other debts owed to us will not be an automatic barrier to moving , where situations such as under occupying have led to financial constraints.

  Where customers are allowed to move with debts outstanding, any existing rent arrears will be written into, and become a condition of the new Tenancy Agreement.

Prevention

We recognise that it is essential to take a holistic view to money management.

We shall:

- Provide early advice and support to enable customers to meet their financial commitments from the start of their tenancy.
- Clearly explain rent and all associated charges at tenancy sign-up, including the process for annual rent reviews.
- Offer a range of payment options and guidance to reflect differing customer needs and preferences.
- Support new customers to access Housing Benefit, Universal Credit, or other relevant entitlements where eligible.
- Assess financial circumstances at sign-up and make appropriate referrals for specialist advice, income maximisation, and financial inclusion support.
- Equip customers to manage their rent accounts through timely information, including regular account statements, online access, and appropriate payment tools.
- Require direct payment of housing costs where customers receive benefit support, while supporting those able to manage payments independently where this does not place the tenancy at risk.
- Where there is a risk to tenancy sustainability, require or seek direct payment of housing costs in partnership with relevant agencies.

Financial Inclusion

Our Financial Inclusion Policy sets out our commitment to working with customers in a range of ways, including assistance with accessing bank accounts and affordable credit, through our work with our Local Credit Union.

Support, Advice and Guidance

We shall:

- Providing advice and guidance to customers at all times, including in parallel with any legal enforcement action that we are taking.
- Ensure that all of our Income staff are trained to provide advice to customers on claiming benefits to assist with their housing costs.
- Work closely with external agencies such as the Department for Work and Pensions (DWP), Citizens Advice, Housing Benefits teams, and other relevant bodies, to maximise benefit take-up and provide comprehensive support.
- Provide support for basic money management and budgeting advice, and signposting to more expert debt advice externally, including work with partners such as Christians Against Poverty, National Debt line and the Money Advice Service.
- Train our Income staff to be able to identify other unmet support needs which may affect a customer's ability to maintain their rent payments and make appropriate and timely referrals to other agencies to address these needs.

Income & Arrears Collection

We shall:

- Provide customers with access to a comprehensive range of payment methods, making it as easy as possible to maintain rent payments.
- Ensure our arrears recovery is responsive to individual customer needs and supported by comprehensive procedures and ongoing training.
- Enable theIncome Team make robust, fair and consistent decisions, withperformance monitored at a case level in line with our customer care values.
- Make timely contact when arrears arise, with clear and accessible communication outlining the current position, expectations, and next steps to prevent escalation.
- Work proactively with customers to resolve their financial difficulties, allocating a named Income Advisor to provide advice and guidance, primarily through direct contact such as face-to-face or telephone engagement.

- Take full account of each customer's financial circumstances, offering tailored advice and sustainable repayment arrangements that prioritise all debts.
- Support our customers accessing debt advice , while not engaging with fee-charging organisations.

Multiple/Non-Rent Debts

We shall:

- Work with customers to prioritise payment of their rent above any other debt with us, in order to protect and sustain their tenancy.
- Where customers also rent a garage from Freebridge, Notice to Quit the Garage Tenancy will always be served once enforcement action has begun in relation to domestic rent arrears, in order to maximise the chances of sustaining the domestic tenancy.
- Not grant new garage tenancies to customers who have existing debts with us.
- Ensure that where a customer also has an outstanding Rechargeable Repair debt with us, an affordable repayment agreement is also reached for all debts to Freebridge, whilst still prioritising repayment of any domestic rent arrears or payment of the ongoing rent.
- Where applicable, treat the provision of additional services for customers that are charged for alongside the net rent, as part of the total payable rent, and will therefore be treated as part of the rent for the purpose of recovery and enforcement action.
- Provide support via our Tenant Support Service, to liaise with other creditors where appropriate.
- Consider discretionary financial compensation when it is necessary for a customer to temporarily move out of their home. However, when rent arrears exist, we will usually transfer some or all of any discretionary compensation to the customer's rent account instead, in repayment of the arrears. Our Moving Out Policy provides further information.

Legal Enforcement

Possession of a property will not be sought whilst a customer is positively engaging with us about repayment of arrears. In circumstances where legal enforcement is required, we will only consider eviction action as a last resort, after all other reasonable measures have been exhausted. In recovering rent arrears, we will adhere to the Ministry of Justice's Pre Action Protocol for Possession Claims based on Rent Arrears, prior to issuing any claim.

We shall:

- Maintain a robust scheme of delegated authority in relation to agreeing enforcement actions, to ensure that we are transparent and accountable for all such decisions.
- Never refuse payment and will continue to negotiate with customers throughout the process.

However, please refer to the Anti-Money Laundering Policy. In addition, Freebridge's Financial Regulation 12 states that:

> *"**The maximum amount the Association will accept in cash is set at £3,000**".*

- Maintain ongoing attempts to communicate in a range of ways, up to and beyond any court action.
- Take into account a customer's known circumstances, giving careful consideration to any disability or long term condition and how this may be impacting on their ability to meet their financial commitments to us, and of our proposed actions on them, in order to ensure that we act in a considered, reasonable and proportionate manner.
- Not seek possession of a property in circumstances where the customer is positively engaging about the repayment of rent arrears.
- In circumstances where enforcement is necessary, usually seek a Suspended Order for Possession initially, where rent arrears are the only breach of tenancy, and/or we have been able to positively engage with the customer regarding payment. When agreeing payment terms for Court Orders, robust financial statements will always be completed to ensure that agreements are sustainable and take into account a customer's whole financial situation.
- Recognise that customers' circumstances change, and we will work closely to support customers to seek any necessary variations to Orders, when agreements are no longer sustainable.
- Seek Full or Outright Possession only in the event that a customer has breached their Tenancy agreement in more than one way and/or we have been unable to make contact, or agree a suitable repayment arrangement to remedy the situation.
- Not seek possession of a customer's home using mandatory grounds for possession in circumstances where rent arrears are the only breach of tenancy.

In the event that eviction action becomes necessary after all other reasonable measures have first been exhausted, we shall:

- Work closely with the Local Authority's Housing Options Team and our partners to provide advocacy and advice to customers from an independent source.
- Always seek an order for costs, to recover our expenses in bringing an action against a customer, where court action has been correctly and reasonably entered into.

Shared Owner Rent Arrears

We shall:

- Follow the same principles in recovering unpaid rent from Shared Owners. In the event that an undertaking was given to the mortgagee at the time of completion, the lender will be notified prior to enforcement action being taken in respect of non-payment of rent (or service charge).

  Whilst we won't seek enforcement action should a shared owner be positively engaging with us in regards to repayment of arrears, where the lease allows, and in circumstance where there is no positive engagement, the preferred method of enforcement will be to make a claim under Ground 10 of the Housing Act 1988 for possession of the property.

  Where the lease does not permit this, and as a last resort, after all other attempts have failed, consideration will be given to commencing forfeiture proceedings. In these circumstances the decision to take forfeiture action can be challenged in accordance with our Appeals Policy.

Former Tenant Arrears

We will taake a flexible approach in regard to Former Tenant arrears. In some cases, customers may be rehoused despite outstanding arrears where this supports affordability and prevents financial hardship, in line with our Allocations, Lettings and Under Occupation policies. Any agreed arrears will be incorporated into the new tenancy agreement, and failure to maintain repayments will constitute a breach of tenancy.

At the point of tenancy termination, we will provide clear information on any outstanding balance and repayment options.

Where arrears cannot be cleared in full, we will agree an affordable repayment arrangement. Future nominations to our properties will only be considered where a satisfactory repayment history is demonstrated.

We may take legal action, including applying for Money Judgment Orders, to recover former tenant arrears. We may also use regulated debt recovery agencies to trace former tenants and support debt recovery.

Rechargeable Repairs

Where we determine that disrepair has been caused by a tenant, household member or visitor through wilful damage or neglect, we will recharge the tenant for all reasonable and properly incurred costs to rectify the issue.

We will provide a clear invoice, including an explanation of the works carried out. Where payment cannot be made within 30 days, we will agree an affordable repayment arrangement, taking into account any existing debts owed to us and other priority financial commitments.

If a repayment arrangement is broken, we will review the tenant's circumstances, including any existing rent arrears, prior to taking enforcement action to ensure that our response is proportionate and reasonable.

Write Offs

In accordance with our Financial Regulations, approval for the write off of bad debts is dependent on the level of debt.

We shall:

- Not normally consider current tenant rent arrears for write off.

  However, consideration to do so, shall be subject to Board approval only. In the event that a customer is subject to a Bankruptcy Order, any debts with us, including current rent arrears, that fall within the scope of the Order will be dealt with as bad debt and written off in accordance with the Financial Regulations delegation.

- Former Tenant and Rechargeable Repair Arrears will only be considered for write off once all other possible measures for recovering the debt have been exhausted and it is considered uneconomical to pursue or recovery is inappropriate i.e. when an elderly customer moves into a residential home and attempts to collect the arrears prove unsuccessful.

Equality, Diversity and Inclusion

We are committed to promoting equality, diversity, and inclusion in all aspects of Income Management. We will ensure that all customers are treated fairly, with dignity and respect, and in accordance with the Equality Act 2010.

We will not discriminate against any individual on the basis of protected characteristics, including age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex, or sexual orientation.

This policy supports our wider commitment to fostering inclusive, sustainable communities and ensuring equal access to housing opportunities for all.

Review

The policy is to be reviewed when there are necessary changes required and/or at least every year.